

# NOTICE OF MEETING

## Combined Annual and Extraordinary Stockholders' Meeting

**Wednesday, June 3, 2009** at 10:00 a.m. at Company headquarters  
75, avenue de la Grande-Armée - 75116 Paris, France

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Paris – May 5, 2009

Dear fellow stockholder,

The Combined Annual and Extraordinary Meeting of Peugeot S.A. stockholders will be held on Wednesday, 3 June 2009 at 10.00 a.m. at the Company's headquarters. The Meeting will be chaired by Thierry Peugeot, Chairman of the Supervisory Board.

The Meeting will offer you an opportunity to learn about PSA Peugeot Citroën's business and financial performance in 2008, as well as the challenges currently facing the Group. There will also be able a discussion with stockholders before the vote on the proposed resolutions.

We value the participation of all our stockholders and below, you will find all of the information you need to participate in the voting. I would like to thank you in advance for paying careful attention to the resolutions submitted for your approval.

Sincerely yours,

**Roland Vardanega**  
*Chairman of the Managing Board*

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**For information concerning the Peugeot S.A. or how to participate in the Annual Meeting, please contact [Investor Relations](#):**



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Mail: PSA Peugeot Citroën  
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# REPORT OF THE SUPERVISORY BOARD

PSA Peugeot Citroën's performance in 2008 varied sharply from the first half to the second.

In the first six months of the year, the Group developed its business in line with the objectives set by the Supervisory Board, i.e., return to growth, pursue international expansion and improve profitability. To meet these objectives, the entire organisation focused on actively deploying the CAP 2010 competitiveness plan.

This commitment drove improvement in several areas during the year:

- an increased international presence, with the start-up of construction of the new plant in Kaluga, Russia, the signature of a related agreement with Mitsubishi, and the introduction of dedicated models (such as the Peugeot 207 Mercosur) in our strategic markets;
- the market launch of new Peugeot 308 versions and the new Citroën C5, all of which have been widely acclaimed for their unrivalled quality;
- the sustained renewal and broadening of the light commercial vehicle line-up, with the new Partner-Berlingo and Bipper-Nemo;
- the extension of the Lean Everywhere management process from manufacturing to every aspect of our business;
- a faster and broader reduction in costs and subsequent improvement in profitability.

In all, worldwide sales rose by 4.6% during the first half, with operating margin standing at 3.7% of sales and revenue.

At the end of the first half, while Christian Streiff, Chairman of the Managing Board, was absent due to a health-related, Roland Vardanega coordinated the actions of the Managing Board, the governance body that collectively manages the Group's operations.

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In the second half, the economic and financial crisis caused demand to collapse in automobile markets around the world, dragging down the Group's final-quarter sales 21% in Western Europe and 9% in emerging markets.

In response to this steep downturn, the Managing Board redefined the Group's operating priorities with:

- faster implementation of the cost-savings programmes as part of the CAP 2010 plan;
- extremely disciplined management of the Group's cash and cash equivalents;

- a sharp 26% year-on-year reduction in worldwide output in the fourth quarter, to align it with demand and bring down inventory as fast as possible. This had a major impact on the Group's financial position;

Over the full year, recurring operating income contracted to €550 million, or 1% of sales and revenue, from €1,752 million and 2.9% in 2007. Non-recurring operating expense amounted to €917 million. The net loss attributable to Peugeot S.A. came to €343 million for the year.

On the positive side, however, the CAP 2010 resulted in total cost savings of €1.4 billion.

The Group also successfully:

- maintained its European market share at 13.8%;
- confirmed its environmental leadership by selling 1.1 million vehicles emitting less than 140g CO<sub>2</sub>/km;
- strengthened its leadership in the European light commercial vehicle market, with a 19.9% share.

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Today, at a time when forecasts are calling for persistently weak automobile sales in most of the major markets, the Supervisory Board is more than ever committed to maintaining the Group's vision of becoming one of the world's leading automobile companies. In addition to the financial measures demanded by the crisis, we have asked the Managing Board to pursue the automobile projects already underway, preserve the product plan and continue expanding the Group's global footprint.

The Supervisory Board also felt it necessary to strengthen the Group's executive management. Last 29 March, it decided to remove Mr Streiff as member of the Managing Board. This grave, serious, and important decision reflected the opinion of the Supervisory Board members that, without calling the announced strategy or CAP 2010 plan into question, the Managing Board needed a change of leadership.

Philippe Varin was appointed Chairman of the Managing Board effective 1 June. The Supervisory Board wishes to thank Roland Vardanega for his effective service as Chairman of the Managing Board during the interim period.

Mr Varin has exercised global senior executive responsibilities in manufacturing companies, including during periods of recession. The Board felt that he had the skills to carry out this new assignment: to diligently and assertively deploy all of the resources the Group needs to weather the crisis, while retaining its capacity for growth, in line with the long-term strategic vision defined by the Supervisory Board.

Separately, Jean-Marc Gales was appointed member of the Managing Board, Executive Vice President, Citroën Brand, effective 21 April. A Luxemburger, Mr Gales has extensive experience in the automobile industry.

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In light of the seriousness of the recession, the Supervisory Board insisted on being fully informed of the latest developments in the Group's situation and of the Managing Board's decisions. As a result, the Board committees met more frequently in 2008 and early 2009, as reported in chapter 16 of the Registration Document.

The Supervisory Board itself met five times during the year, with the committees reporting their findings and recommendations at each meeting.

The Strategy Committee met four times in 2008, mainly to discuss the Group's automobile product plan, its strategy in China, Gefco's growth strategy and the main objectives set in response to the financial and economic crisis.

The Compensation and Appointments Committee met six times, in particular to prepare recommendations for salary and bonus compensation for Managing Board members and the granting of stock options to Managing Board members.

The Finance Committee met six times. Since the last quarter of 2008, it has paid particular attention to tracking the Group's earnings figures, the forecasts for 2009, and the cash position and financing of the manufacturing and sales companies and of Banque PSA Finance.

The Supervisory Board was saddened by the passing on 14 February 2009 of Bertrand Peugeot, who helped to create the Group in 1976 and served as Chairman and Chief Executive Officer of Cycles Peugeot (later renamed ECIA) and of Peugeot Motocycles. He was also Vice-Chairman of the Supervisory Board from 1972 to 1999, and was serving as an advisor on the Board.

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The Supervisory Board recommends that stockholders approve all of the tabled resolutions except for the ninth resolution concerning an authorisation for the Managing Board to carry out one or more employee share issues.

In particular, in light of the current economic and financial situation, the Supervisory Board recommends that you approve the proposal not to pay a dividend for 2008, so that the Group can devote all of its resources to the product plan and business development.

The purpose of the sixth, seventh and eighth resolutions is to authorise the Managing Board to issue shares and share

equivalents. These authorisations would replace those granted two years ago which expire at the close of this Meeting but two changes are being proposed: (i) raising to €1.5 billion from €600 million the maximum aggregate nominal value of any debt securities issued, either with or without pre-emptive subscription rights, which confer the right to equity; and (ii) introducing the option now available under the applicable law to carry out issues via private placements, subject to a ceiling representing 20% of the Company's share capital per year.

The authorisations being sought in the above resolutions will provide the flexibility the Company needs in the current financial environment.

We have no specific comments to make on the resolutions concerning the authorisations to implement a share buyback programme and reduce the Company's capital by cancelling purchased shares.

In the eleventh resolution, stockholders are invited to authorise the Managing Board to issue stock warrants while a takeover bid for the Company is in progress, with a view to providing the Company with the means to respond promptly should such a bid occur.

Lastly, the Supervisory Board recommends that stockholders amend the Company's bylaws in order to increase the maximum number of Managing Board members from 5 to 7, which is the legally prescribed limit for listed companies.

The Board therefore invites you to approve these resolutions except for the one concerning employee share issues.

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2009 will be a difficult year.

In confronting the lacklustre economy and persistent turbulence in global automobile markets, PSA Peugeot Citroën enjoys a number of solid competitive strengths:

- the Peugeot and Citroën model ranges, which are modern, comprehensive and well positioned, especially in terms of environmental performance;
- the sustained pace of new model launches in 2009, including the Citroën C3 Picasso and the Peugeot 3008, as part of an offering that is increasingly aligned with customer expectations in every market;
- a solid, committed new management team.

All of these strengths will enable the Group to weather the current economic storm as well as possible, while preparing for the future, so that when the time comes, it will be one of the first global automobile companies to return to growth and profitability.

# PARTICIPATING IN THE ANNUAL MEETING

## Who can participate?

You may attend the Annual Meeting **in person** or else **vote by mail or by proxy**.

The only two conditions are that:

- You own at least one share of Peugeot S.A. stock.
- You provide evidence that you held the shares **on or before Friday, May 29, 2009**.

## It's easy to participate in the Annual Meeting

**YOU DO NOT NEED TO PLACE YOUR SHARES  
IN A BLOCKED ACCOUNT TO BE ABLE TO TAKE PART  
IN THE ANNUAL MEETING.**

### If your shares are registered

*(with the Company or with your banker or broker)*

Ownership of the shares is evidenced by the entry in the Share Register kept by Peugeot S.A.

You therefore do not have to **undertake any formalities** to provide evidence of ownership.

### If your shares are in bearer form

*(held in a securities account with a bank or broker)*

Ownership of the shares will need to be evidenced by a **certificate of ownership** issued by the bank or broker that manages your securities account, attesting that you were a stockholder as of **three business days before the Meeting**.

Your bank or broker will issue the certificate and send it, along with your request for an admittance card or your proxy/postal voting form, to Société Générale – Service Émetteur Peugeot S.A.

If you have taken the steps to participate in the Annual Meeting, but then sell all or part of your shares, your bank or broker will be responsible for canceling your participation in the Annual Meeting.

## Which documents may I request and how?

You may request a copy of the 2008 Registration Document, in English or in French, using the form on page 35. Just put the form in the same envelope as your request for an admittance card or your proxy/postal voting form.

**You may also access the 2008 Registration Document at [www.psa-peugeot-citroen.com](http://www.psa-peugeot-citroen.com).**

### HOW DO I SUBMIT QUESTIONS IN WRITING?



By post:  
PSA PEUGEOT CITROËN  
Communication Financière  
75, avenue de la Grande-Armée - 75116 Paris



By email: [investor.relations@psa.fr](mailto:investor.relations@psa.fr)

Be sure to include your certificate of ownership.

## How do I vote?

### You plan to attend the meeting in person

If you plan to attend the Annual Meeting in person, you need to request an admittance card. On the form, simply check **box A** at the top, then date and sign it at the bottom. Make sure your name (last name first) and address are indicated in the lower right corner; if not please add them.

**Registered stockholders** should return the form to Société Générale - Service Émetteur Peugeot S.A., using the postage-paid envelope if you are mailing from France.

**Holders of bearer shares** should send the form to their bank or broker, who will forward it, along with the certificate of ownership, to Société Générale - Service Émetteur Peugeot S.A.

**Please send in your form as soon as possible.**

**AN ADMISSION CARD WILL BE SENT TO YOU PERSONALLY.**

### You are unable to attend the Annual Meeting

Stockholders who are unable to attend the Annual Meeting may still vote in one of the three ways:

#### 1 By mail:

- **Check boxes B and 1** on the form;
- Vote on each resolution;
- **Date and sign** the form at the bottom.

If you wish to vote against a resolution or abstain (with the understanding that an abstention is counted as an against vote), blacken in the box corresponding to the resolution's number. If you wish to approve the resolution, just leave the box blank.

#### 2 By proxy to the Chairman of the Meeting (the Chairman of the Supervisory Board):

- **Check boxes B and 2** on the form.
- **Date and sign** the form at the bottom.

In this case, the Chairman will vote on your behalf in favor of those resolutions submitted or recommended by the Managing Board and against those that were not.

#### 3 By proxy to your spouse or to another Peugeot S.A. stockholder:

- **Check boxes B and 3** on the form;
- Indicate the name (last name first) of the person who will represent you at the Meeting;
- **Date and sign** the form at the bottom.

**Registered stockholders,** should return the form to Société Générale – Service Émetteur Peugeot S.A., using the postage-paid envelope if you are mailing from France.

**Holders of bearer shares,** should send the form to their bank or broker, who will forward it, along with the certificate of ownership, to Société Générale – Service Émetteur Peugeot S.A.

# How do I complete the form?

You may choose among the following possibilities:

**You want to attend the Meeting in person:**  
check **box A**.

**You want to vote by mail or by proxy:**  
check **box B** and fill in one of the three boxes below.

**Your shares are in bearer form:**  
send the form to your bank or broker,  
who will forward it with your certificate of ownership.

**A**  **B**

**IMPORTANT** : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please see instructions on reverse side.  
**QUELLE QUE SOIT L'OPTION CHOISIE, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, DATE AND SIGN AT THE BOTTOM OF THE FORM**  
 Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholder's meeting and request an admission card : date and sign at the bottom of the form.  
 J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.

**PSA PEUGEOT CITROËN**  
 Société Anonyme à Directoire et Conseil de surveillance  
 au capital de 234 048 798 €  
 Siège social : 75, avenue de la Grande-Armée  
 75116 PARIS  
 B 552 100 554 R.C.S, PARIS  
 Siret 552 100 554 00021

**ASSEMBLÉE GÉNÉRALE MIXTE ORDINAIRE ET EXTRAORDINAIRE**  
**du 3 juin 2009 à 10 heures au siège social de Peugeot S.A.**  
**75, avenue de la Grande-Armée - PARIS 16<sup>e</sup>**

**COMBINED GENERAL MEETING**  
**called on June 3, 2009 at 10 a.m. to the Company's head office Peugeot S.A.**  
**75, avenue de la Grande-Armée - PARIS 16<sup>e</sup>**

**CADRE RÉSERVE / For Company's use only**  
 Identifiant / Account : \_\_\_\_\_  
 Normatif Registered VS / single vote  
 VD / double vote  
 Nombre d'actions / Number of shares : \_\_\_\_\_  
 Porteur / Bearer  
 Nombre de voix / Number of voting rights : \_\_\_\_\_

**1** **JE VOTE PAR CORRESPONDANCE // I VOTE BY POST**  
 Cf. au verso renvoi (3) - See reverse (3)  
**Je vote OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci ■ la case correspondante et pour lesquels je vote NON ou je m'abstiens.  
*I vote FOR all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■.*  
**Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noircissant comme ceci ■ la case correspondante à mon choix.**  
*On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this ■.*

1	2	3	4	5	6	7	8	9	Oui / Yes	Non/No	Abst./Abst.	Oui / Yes	Non/No	Abst./Abst.
<input type="checkbox"/>	A	<input type="checkbox"/>	<input type="checkbox"/>	F	<input type="checkbox"/>	<input type="checkbox"/>								
10	11	12	13	14	15	16	17	18	B	<input type="checkbox"/>	<input type="checkbox"/>	G	<input type="checkbox"/>	<input type="checkbox"/>
19	20	21	22	23	24	25	26	27	C	<input type="checkbox"/>	<input type="checkbox"/>	H	<input type="checkbox"/>	<input type="checkbox"/>
28	29	30	31	32	33	34	35	36	D	<input type="checkbox"/>	<input type="checkbox"/>	J	<input type="checkbox"/>	<input type="checkbox"/>
37	38	39	40	41	42	43	44	45	E	<input type="checkbox"/>	<input type="checkbox"/>	K	<input type="checkbox"/>	<input type="checkbox"/>

**2** **JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**  
 dater et signer au bas du formulaire, sans rien remplir  
*I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE MEETING*  
 dater and sign the bottom of the form without completing it  
 cf. au verso renvoi (2) - See reverse (2)

**3** **JE DONNE POUVOIR A :** soit le conjoint, soit un autre actionnaire - cf. renvoi (2) au verso) pour me représenter à l'assemblée mentionnée.  
*// I HEREBY APPOINT (you may give your PROXY either to your spouse or to another shareholder - see reverse (2)) to represent me at the above mentioned meeting.*  
 M, M<sup>me</sup> ou M<sup>lle</sup> / Mr, M<sup>rs</sup> or Miss  
 Adresse / Address

**REGARDLESS OF YOUR CHOICE, DATE AND SIGN THE FORM HERE.**

**Make sure your name (last name first) and address are indicated; if not please add them here.**

**Attention :** S'il s'agit de titres au porteur, les présentes instructions ne sont valables que si elles sont directement enregistrées par votre teneur de comptes.  
**Caution :** If you're voting on bearer securities, the present instructions will only be valid if they are directly registered with your custodian bank.

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)  
 - Same, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)  
 Cf. au verso renvoi (1) - See reverse (1)

Date & Signature

à la BANQUE / to the Bank : 1/05/2009, MAY 31, 2009  
 à la SOCIÉTÉ / to the Company : 1/05/2009, MAY 31, 2009

**You want to vote by mail:**  
check here and follow the instructions.

**You want to give proxy to the Chairman:**  
check here.

**You want to give proxy to someone attending the Meeting:**  
check here and fill in the person's name.

# AGENDA

## Annual Stockholders' Meeting

- Approval of the parent company financial statements for the year.
- Approval of the consolidated financial statements for the year.
- Appropriation of profit
- Auditors' Report on related party agreements
- Authorisation to carry out a share buyback program.

## Extraordinary Stockholders' Meeting

- Authorisation for the Managing Board to issue shares and/or share equivalents, with pre-emptive subscription rights.
- Authorisation for the Managing Board to issue shares and/or share equivalents, without pre-emptive subscription rights.
- Authorisation for the Managing Board to increase the amount of issues that are oversubscribed.
- Authorisation for the Managing Board to carry out employee share issues.
- Authorisation for the Managing Board to reduce the Company's capital by cancelling shares acquired under the buyback programme.
- Authorisation for the Managing Board to use the financial authorisations while a takeover bid for the Company is in progress.
- Authorisation for the Managing Board to issue stock warrants while a takeover bid for the Company is in progress.
- Amendment to Article 9-I of the Company's bylaws.

# PRESENTATION OF THE PROPOSED RESOLUTIONS

Stockholders will be asked to approve five ordinary resolutions and eight extraordinary resolutions.

## Ordinary resolutions

### FIRST RESOLUTION

#### Approval of the parent company financial statements for the year

##### PRESENTATION

*The first resolution invites stockholders to approve the annual financial statements for the year ended 31 December 2008, showing net profit of €47,527,964*

##### PROPOSED RESOLUTION

The Annual Meeting, having reviewed the annual financial statements, the Report of the Managing Board, the Report of the Supervisory Board, and the Auditors' Report on the annual financial statements, approves the annual financial statements

for the year ended 31 December 2008, showing net profit of €47,527,964.43, as well as the transactions reflected in these financial statements or disclosed in these reports.

### SECOND RESOLUTION

#### Approval of the consolidated financial statements for the year

##### PRESENTATION

*The second resolution invites stockholders to approve the 2008 consolidated financial statements of PSA Peugeot Citroën, showing a net loss attributable to equity holders of the parent of €343 million.*

##### PROPOSED RESOLUTION

The Annual Meeting, having reviewed the consolidated financial statements, the Report of the Managing Board, the Report of the Supervisory Board and the Auditors' Report on the

consolidated financial statements, approves the consolidated financial statements for the year ended 31 December 2008, as presented.

## THIRD RESOLUTION

**Appropriation of profit**

**PRESENTATION** *The third resolution concerns the appropriation of profit for the year. It is recommended that the entire amount of the parent company's net profit be transferred to retained earnings, which would accordingly be increased to €762,888,948.49. No dividend payment is being proposed in view of the Group's 2008 results and the priority need to allocate financial resources to supporting the product plan, driving business development and strengthening the Group's cash position.*

## PROPOSED RESOLUTION

The Annual Meeting resolves to appropriate net profit for the year, totalling €47,527,964.43, to retained earnings, raising the amount in this account to €762,888,948.49 from €715,360,984.06.

The Annual Meeting notes that dividends for the years ended 31 December 2005, 2006 and 2007 were as follows:

Year	Shares carrying dividend rights	Dividend
2005	229,146,756 shares with a par value of €1	1,35 €
2006	228,805,381 shares with a par value of €1	1,35 €
2007	228,205,584 shares with a par value of €1	1,50 €

## FOURTH RESOLUTION

**Approval of the Auditors' Special Report on related party agreements**

**PRESENTATION** *The fourth resolution concerns the ratification of related party agreements that have been approved by the Supervisory Board. These agreements are described in the Auditors' Special Report contained in the Registration Document.*

## PROPOSED RESOLUTION

The Annual Meeting, having reviewed the Auditors' Report on related party agreements, approves the Report and the transactions referred to therein.

## FIFTH RESOLUTION

**Authorisation to carry out a share buyback program**

**PRESENTATION** *In the fifth resolution stockholders are invited to authorise the Managing Board to carry out a share buyback programme.*

*The authorisation is being sought for a period of up to eighteen months, i.e. until 3 December 2010. It could be used to buy back up to 16 million shares of Peugeot S.A. stock, representing 68% of the Company's issued capital, in order to (i) reduce the Company's capital, (ii) acquire shares for allocation on exercise of stock options or redemption, conversion, exchange or exercise of securities carrying a right to equity, or (iii) maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment services provider. The maximum purchase price would be set at €65 per share, as in the 12th resolution approved by stockholders at the Annual meeting on 28 May 2008.*

*The authorisation replaces that given at the Annual Meeting of 28 May 2008. The programme would concern a maximum of 16 million shares. This corresponds to the number of shares that may be bought back taking into account the 10% limit on treasury stock and the number of shares already held in treasury. At 31 December 2008, the Group held 7,188,214 shares in treasury representing 3.07% of the issued capital, including 6,527,907 shares held for allocation on exercise of stock options already granted and 660,307 shares for allocation on exercise of stock options to be granted under future plans.*

*If the Group were to use this authorisation for any purpose other than the allocation of shares on the exercise of stock options, it would do so while maintaining careful control over its net financial position. In 2008, the Company bought back 1,345,000 shares at an average price of €32.99, including 1,345,000 shares set aside for allocation on exercise of stock options granted under the August 2008 plan.*

*In compliance with Article L. 225-209 of the French Commercial Code and Articles 241-1 to 242-6 of the AMF's General Regulations, a description of the new programme will be available in the Stockholder/Regulated Information section of the Group's website at [www.psa-peugeot-citroen.com](http://www.psa-peugeot-citroen.com), as well as on the AMF website at [www.amf-france.org](http://www.amf-france.org).*

The Annual Meeting, having reviewed the Report of the Managing Board, authorises the Managing Board to buy back the Company's shares on the stock market in order to (i) reduce the Company's issued capital; (ii) for allocation on exercise of stock options granted to employees of the Company or any related entity; (iii) for allocation on redemption, conversion, exchange or exercise of securities carrying a right to equity; or (iv) to maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment services provider acting under a liquidity agreement that complies with a code of ethics approved by the Autorité des Marchés Financiers.

The shares may be purchased by any appropriate means and at any time, on or off-market, including through the use of call options and any and all other derivatives traded on a regulated market or over-the-counter.

The maximum purchase price is set at €65 per share.

The Managing Board may acquire up to a maximum of 16,000,000 shares under this authorisation, which is granted for a period of eighteen months from 3 June 2009 and replaces with immediate effect the previous authorisation granted by the Annual Meeting held on 28 May 2008.

## Extraordinary resolutions

The purpose of the **sixth and seventh resolutions** is to renew the authorisations granted to the Managing Board to increase

the Company's share capital at short notice, if warranted, in the Company's interest.

### SIXTH RESOLUTION

#### Authorisation for the Managing Board to issue shares and/or share equivalents, with pre-emptive subscription rights

##### PRESENTATION

*The sixth resolution renews existing authorisations to issue securities conferring the right to acquire equity directly or indirectly. The aggregate number of shares issued under this authorization may not have the effect of increasing issued capital—currently €234,048,798—to more than €400 million and the aggregate nominal amount of debt securities conferring the right to equity issued under this authorization may not exceed €1,500 million.*

##### PROPOSED RESOLUTION

The Extraordinary Meeting, having reviewed the Report of the Managing Board and the Auditors' Special Report, resolves, in accordance with Articles L. 225-129-2 and L. 228-92 of the French Commercial Code:

- I. To give the Managing Board, under Article 9 of the bylaws, a twenty-six month authorisation, with immediate effect, to increase the Company's issued capital on one or several occasions by:

- a. Issuing, in France or abroad, shares denominated in euros and/or securities denominated in euros or in foreign currencies conferring the right to acquire, directly or indirectly, immediately or in the future, Peugeot S.A. shares, and/or
- b. Issuing bonus shares or raising the par value of existing shares, to be paid up by capitalising profit, retained earnings or additional paid-in capital.

- II. That the aggregate number of shares issued, immediately or in the future, pursuant to this authorisation (including any shares issued to protect the rights of holders of existing securities) may not have the effect of increasing the issued capital – currently €234,048,798 – to more than €400,000,000, not including the value of any issue and/or redemption premiums.
- III. That the aggregate nominal amount of debt securities conferring the right to equity issued pursuant to this authorisation may not exceed €1,500,000,000.
- IV. That stockholders shall be granted pre-emptive subscription rights to any securities issued pursuant to this authorisation, in proportion to their existing interest in the issued capital.
- V. That:
  - a. If the issue is not taken up in full by stockholders exercising their pre-emptive rights, all or some of the unsubscribed shares or other securities may be offered to the public.
  - b. In the case of a bonus share issue, rights to fractions of shares shall be non-transferable. The corresponding shares shall be sold and the proceeds from the sale allocated among the holders of said rights within 30 days of the date on which the whole number of shares allotted to them is recorded in their account.
  - c. In the case of issue of compound securities, stockholders shall not have any pre-emptive right to subscribe for the shares to be issued on conversion, redemption, exchange or exercise of the securities carrying a right to equity.

This authorisation replaces the authorisation to issue shares and share equivalents given to the Managing Board in the tenth resolution of the Extraordinary Meeting of 23 May 2007.

## SEVENTH RESOLUTION

### Authorisation for the Managing Board to issue shares and/or share equivalents without pre-emptive subscription rights

#### PRESENTATION

*The purpose of the seventh resolution is to authorise the Managing Board to issue shares and/or share equivalents without pre-emptive subscription rights for existing stockholders, within the monetary limits set in the sixth resolution. The Managing Board may grant existing stockholders a priority right to subscribe for the new shares issued under this authorisation.*

#### PROPOSED RESOLUTION

The Extraordinary Meeting, having reviewed the Report of the Managing Board and the Auditors' Special Report:

- I. Authorises the Managing Board, under Article 9 of the bylaws, to increase the Company's issued capital on one or several occasions by issuing, in France or abroad, shares and/or other securities denominated in euros conferring the right to acquire, directly or indirectly, immediately or in the future, Peugeot S.A. shares. These issues may be carried out, at the Managing Board's discretion, without existing stockholders being granted a pre-emptive subscription right, within the monetary limits set in paragraph II of the sixth resolution.
- II. Resolves that the issues carried out pursuant to this authorisation may take the form of (i) a public offer, or (ii) an offer governed by section II of Article L. 411-2 of the French Monetary and Financial Code, subject to a ceiling representing 20% of the Company's capital per year. Both these forms of offer shall be subject to the conditions set out in Article L. 225-136 of the French Commercial Code.
- III. Resolves that the aggregate nominal amount of debt securities conferring the right to equity issued pursuant to

this authorisation may not exceed €1,500,000,000 and that any such issues shall be included in the ceiling specified in paragraph III of the sixth resolution.

- IV. Resolves that the Managing Board, at its discretion, may grant existing stockholders a priority right to subscribe for the new shares issued under this authorisation, in application of Article L.225-135 of the French Commercial Code.

This authorisation is given for a period of twenty-six months as from the date of this Meeting and replaces the authorisation to issue shares and share equivalents given in the eleventh resolution of the Extraordinary Meeting of 23 May 2007.

The Extraordinary Meeting expressly waives stockholders' pre-emptive subscription rights in the event that the Managing Board decides to use this authorisation, provided that the issue price of the shares created directly or on conversion, redemption, exchange or exercise of securities conferring a right to equity, is at least equal to the weighted average price quoted for Peugeot S.A. shares on the Paris Bourse over the three consecutive trading days preceding the date when the issue price is set, less a maximum discount of 5%.

## EIGHTH RESOLUTION

**Authorisation for the Managing Board to increase the amount of securities offered for issues that are oversubscribed.**

**PRESENTATION** *The eighth resolution would authorise the Managing Board, within the limits set in the sixth and seventh resolutions, to increase the amount of securities for issues that are oversubscribed. The additional securities would be issued at the same price as for the original issue.*

## PROPOSED RESOLUTION

The Extraordinary Meeting, having reviewed the Report of the Managing Board and the Auditors' Special Report, resolves to authorise the Managing Board to increase the number of securities offered under any issues decided pursuant to the sixth and seventh resolutions of this Meeting, in accordance with Article L. 225-135-1 of the French Commercial Code, provided that the additional securities are issued at the same price as

for the original issue and the ceiling specified in the sixth and seventh resolutions is not exceeded.

This authorisation is given for a period of twenty-six months as from the date of this Meeting and replaces the authorisation given at the Extraordinary Meeting of 23 May 2007 to increase the amount of securities offered for issues that are oversubscribed.

## NINTH RESOLUTION

**Authorisation for the Managing Board to carry out employee share issues**

**PRESENTATION** *The ninth resolution reflects the legal obligation, under the Employee Savings Act of 9 February 2001, as amended by the Social Modernization Act of January 2002, for joint stock corporations (sociétés anonymes) to submit to stockholders a proposal to carry out an employee share issue. The Managing Board recommends that stockholders vote against this resolution, inasmuch as other systems are in place to enable employees to purchase shares of Company stock on preferred terms. Stockholders are reminded that the employee mutual fund, in which more than 47,000 employees or former employees have invested, held 2.76% of issued capital at 31 December 2008.*

## PROPOSED RESOLUTION

The Extraordinary Meeting, having reviewed the Report of the Managing Board and the Auditors' Special Report, resolves, in accordance with Article L. 225-129-6 of the French Commercial Code, to authorise the Managing Board, under Article 9 of the bylaws, to carry out one or several employee share issues, as provided for in Articles L. 3332-18 to L. 3332-20 of the French Labour Code, provided that the aggregate par value of the shares issued under this authorisation does not exceed €15,000,000.

The Managing Board shall have full powers to determine the amount of any such share issue(s) within the above limit, as well as their timing and other terms and conditions. The Managing Board shall also determine the issue price of the new shares,

subject to compliance with Articles L. 3332-18 to L. 3332-20 of the French Labour Code, the basis on which such shares are to be paid up, the subscription period and the terms governing the exercise of employees' subscription rights.

The Managing Board shall also have full powers to enter into any and all agreements, take any and all measures and carry out any and all necessary formalities to render the capital increase(s) effective, and to amend the bylaws to reflect the new capital.

This authorisation is given for a period of twenty-six months as from the date of this Meeting.

## TENTH RESOLUTION

**Authorisation for the Managing Board to reduce the Company's capital by cancelling shares acquired under buyback programmes**

**PRESENTATION** *The tenth resolution would renew the authorisation granted to the Managing Board to reduce the Company's capital by cancelling shares acquired under buyback programmes, within the limit of 10% of capital stock in any twenty-four month period.*

## PROPOSED RESOLUTION

The Extraordinary Meeting, having reviewed the Report of the Managing Board and the Auditors' Special Report, authorises the Managing Board, under Article 9 of the bylaws, to cancel any shares held now, or in the future as purchased under the buyback programme authorised in the fifth resolution of this Meeting, provided that the number of shares cancelled in any twenty-four month period does not exceed one-tenth of the Company's capital stock.

The Extraordinary Meeting gives full powers to the Managing Board to reduce the capital stock on one or several occasions by cancelling shares as provided for above, to amend the bylaws to reflect the new capital, to carry out any and all publication formalities, and to take any and all measures required to effect the capital reduction(s), directly or indirectly.

## ELEVENTH RESOLUTION

**Authorisation for the Managing Board to use the financial authorisations while a takeover bid for the Company is in progress**

**PRESENTATION** *The eleventh resolution would renew the eighteen-month authorisation previously granted to the Managing Board to use the financial authorisations set out in the fifth, sixth, seventh, eighth, ninth and tenth resolutions above while a takeover bid for the Company is in progress.*

## PROPOSED RESOLUTION

The Extraordinary Meeting, having reviewed the Report of the Managing Board, the Report of the Supervisory Board and the Auditors' Special Report, resolves to give the Managing Board an eighteen-month authorisation, with immediate effect, to use all or part of the authorisations given in the fifth, sixth,

seventh, eighth, ninth and tenth resolutions above to buy back Peugeot S.A. shares and to issue shares and share equivalents or to cancel shares, while a takeover bid for the Company is in progress, on the basis allowed by law.

## TWELFTH RESOLUTION

**Délégation Authorisation to issue stock warrants while a takeover bid for the Company is in progress**

**PRESENTATION** *The twelfth resolution would give the Managing Board an eighteen-month authorisation, with immediate effect, to issue stock warrants exercisable on preferred terms for Peugeot S.A. shares while a takeover bid for the Company is in progress. The warrants would be issued in « application of the reciprocity » clause, according to which a company is not required to obtain stockholder approval of anti-takeover defences if the bid is made by a company that itself (or its controlling entity) is not obliged to seek such approval.*

*The aggregate par value of shares issued on exercise of the stock warrants would not exceed €160 million. This amount would be included in the ceilings specified in the sixth, seventh, eighth, ninth and eleventh resolutions above. The number of warrants issued would not exceed 160 million.*

*The Managing Board would have full powers to decide the terms of exercise of the stock warrants, relative to the terms of the takeover bid or any competing bid, as well as the warrants' other characteristics, as provided by law.*

## PROPOSED RESOLUTION

The Annual Meeting, having considered the Report of the Managing Board, the Report of the Supervisory Board and the Auditors' Special Report, resolves, in accordance with Articles L.233-32 II and L.233-33 of the French Commercial Code, to give the Managing Board an eighteen month authorization, with immediate effect, to issue, on one or several occasions, stock warrants exercisable on preferred terms for Peugeot SA shares and to allocate these warrants to all stockholders without consideration while a takeover bid for the Company is in progress.

The aggregate par value of the shares that may be issued on exercise of said stock warrants shall not exceed €160,000,000, to be included in the ceilings specified in the sixth, seventh, eighth,

ninth and eleventh resolutions above, and the number of warrants that may be issued shall not exceed 160,000,000.

The Annual Meeting gives full powers to the Managing Board to set the terms of exercise of the stock warrants, relative to the terms of the takeover bid or any competing bid, as well as the warrants' other characteristics including their exercise price or the pricing method. The stock warrants shall expire ipso jure when the takeover bid or any competing bid fails, expires or is withdrawn.

This authorization automatically entails the waiver by stockholders of their pre-emptive right to subscribe for any shares to be issued on exercise of the stock warrants.

## THIRTEENTH RESOLUTION

**Amendment to Article 9-I of the bylaws**

**PRESENTATION** *In the thirteenth resolution, stockholders are invited to amend Article 9-I of the Company's bylaws in order to provide that the Managing Board may be comprised of between two and seven members.*

## PROPOSED RESOLUTION

Having reviewed the Report of the Supervisory Board, and using the option available in Article L 225-58 of the French Commercial Code, the Extraordinary Meeting resolves to amend Article 9-I of the Company's bylaws as follows:

Former wording:

« I – The Company is managed by a Managing Board with at least two and no more than five members. »

New wording:

« I – The Company is managed by a Managing Board with at least two and no more than seven members. »

# CORPORATE GOVERNANCE

## Supervisory Board

### ■ CHAIRMAN

Thierry Peugeot

### ■ VICE-CHAIRMEN

Jean-Philippe Peugeot

Jean-Louis Silvant

### ■ MEMBERS OF THE SUPERVISORY BOARD

Marc Friedel

Jean-Louis Masurel

Jean-Paul Parayre

Robert Peugeot

Henri Philippe Reichstul

Marie-Hélène Roncoroni

Geoffroy Roux de Bézieux

Ernest-Antoine Seillière

Joseph F. Toot Jr.

### ■ ADVISORS TO THE SUPERVISORY BOARD

François Michelin

Roland Peugeot

## Managing Board

### ■ CHAIRMAN, ON MARCH 30, 2009 TO MAY 31, 2009

Roland Vardanega

### ■ CHAIRMAN, FROM JUNE 1, 2009

Philippe Varin

### ■ MEMBERS OF THE MANAGING BOARD

Jean-Philippe Collin

Jean-Marc Gales

Grégoire Olivier

## Information concerning Members of the Supervisory Board as of April 30, 2009

### THIERRY PEUGEOT

*Born on August 19, 1957*

Chairman of the Supervisory Board  
Chairman of the Compensation and Appointments Committee  
Member of the Strategy Committee

**First elected to the Supervisory Board on December 19, 2002**

**Current term expires in 2010**

**Number of Peugeot S.A. shares owned as of December 31, 2008:** 900.

**Business address:** PSA PEUGEOT CITROËN  
75, avenue de la Grande-Armée - 75016 Paris - France

### Chairman of the Supervisory Board of PSA PEUGEOT CITROËN

#### Other functions and directorships as of December 31, 2008:

Vice-Chairman and Chief Operating Officer of Établissements Peugeot Frères.  
Director of Société Foncière, Financière et de Participations – FFP, LFPF – La Française de Participations Financières, Société Anonyme de Participations – SAPAR, Immeubles et Participations de l'Est, Faurecia, Compagnie Industrielle de Delle and Air Liquide.  
Permanent representative of Compagnie Industrielle de Delle on the Board of Directors of LISI.

#### Former functions and directorships in the past five years:

Chairman of Immeubles et Participation de l'Est.  
Director of AMC Promotion.  
Legal Manager of SCI du Doubs.

#### Related expertise and professional experience:

Thierry Peugeot has served as Chief Executive Officer of a number of companies, particularly in the automotive industry, and has managed companies outside France.

### JEAN-PHILIPPE PEUGEOT

*Born on May 7, 1953*

Vice-Chairman of the Supervisory Board  
Chairman of the Strategy Committee  
Member of the Compensation and Appointments Committee

**First elected to the Supervisory Board on May 16, 2001**

**Current term expires in 2013**

**Number of Peugeot S.A. shares owned as of December 31, 2008:** 150.

**Business address:** Établissements Peugeot Frères  
75, avenue de la Grande-Armée - 75016 Paris - France

### Vice-Chairman of the Supervisory Board of PSA PEUGEOT CITROËN Chairman of Établissements Peugeot Frères

#### Other functions and directorships as of December 31, 2008:

Vice-Chairman of Société Foncière, Financière et de Participations – FFP.  
Director of LFPF – La Française de Participations Financières, Immeubles et Participations de l'Est and Linedata Services.

#### Former functions and directorships in the past five years:

Chairman of the Board of Directors of Nutrition et Communication SAS.

#### Related expertise and professional experience:

Jean-Philippe Peugeot has spent his entire career with Automobiles Peugeot. In particular, he managed an Automobiles Peugeot marketing subsidiary for eight years and Peugeot Parc Alliance for four years.

### JEAN-LOUIS SILVANT

*Born on February 7, 1938*

Vice-Chairman of the Supervisory Board  
Member of the Strategy Committee  
Member of the Compensation and Appointments Committee

**First elected to the Supervisory Board on May 24, 2006**

**Current term expires in 2012**

**Number of Peugeot S.A. shares owned as of December 31, 2008:** 150.

**Business address:** La Martinerie - 35, rue de la Fontaine -  
37370 Neuvy-le-Roi - France

### Vice-Chairman of the Supervisory Board of PSA PEUGEOT CITROËN Former member of the PSA PEUGEOT CITROËN Executive Committee

#### Other functions and directorships as of December 31, 2008:

Chairman of Closerie des Tilleuls. Legal Manager of Silvant-Invest.  
Director of Peugeot Suisse and Résidéal Santé.

#### Former functions and directorships in the past five years:

Chief Executive Officer, then Chief Operating Officer of Peugeot Citroën Automobiles.

Chairman of the Board of Directors of Peugeot Suisse.

#### Related expertise and professional experience:

Jean-Louis Silvant joined PSA PEUGEOT CITROËN in 1961. He held numerous executive positions, particularly in production, human resources management and engineering, before serving as Senior Executive Vice-President of Peugeot from 1992 to 1998. He was a member of the PSA PEUGEOT CITROËN Executive Committee from 1998 to 2002.

**MARC FRIEDEL***Born on July 21, 1948*

Member of the Supervisory Board  
Member of the Finance Committee

**First elected to the Supervisory Board on June 26, 1996**

**Current term expires in 2014**

**Number of Peugeot S.A. shares owned as of December 31, 2008:**  
150.

**Business address:** 1, rue Ballu - 75009 Paris - France

**Consultant****Former functions and directorships in the past five years:**

Permanent representative of Sofinaction (CIC Group) on the Board of Directors of Société Nancéienne Varin-Bernier (SNVB).  
Member of the Supervisory Board of Presses Universitaires de France.

**Related expertise and professional experience:**

From 1989 to 1999, Marc Friedel served as Chairman and Chief Executive Officer of Berger-Levrault, a company listed on the Paris Bourse.

**JEAN-LOUIS MASUREL***Born on September 18, 1940*

Member of the Supervisory Board  
Member of the Finance Committee

**First elected to the Supervisory Board on August 27, 1987**

**Current term expires in 2011**

**Number of Peugeot S.A. shares owned as of December 31, 2008:** 600.

**Business address:** Arcos Investissement -  
10 A, rue de la Paix - 75002 Paris - France

**Chairman of Arcos Investissement****Other functions and directorships as of December 31, 2008:**

Vice-Chairman of the Supervisory Board of Oudart S.A.  
Director of Société des Bains de Mer (Monaco), Compagnie de Transports Financière et Immobilière – Cotrafi, Oudart Gestion S.A., Gondrand (a Cotrafi subsidary) and Banque J. Safra (Monaco).  
Member of the Supervisory Board of 21 Centrale Partners S.A.

**Former functions and directorships in the past five years:**

- None.

**Related expertise and professional experience:**

From 1983 to 1989, Jean-Louis Masurel served as Vice-Chairman and Chief Executive Officer of Moët-Hennessy and subsequently LVMH. Since 1995, he has been Director and Chairman of the Finance Committee of Société des Bains de Mer (Monaco).

**JEAN-PAUL PARAYRE***Born on July 5, 1937*

Member of the Supervisory Board  
Chairman of the Finance Committee  
Member of the Strategy Committee

**First elected to the Supervisory Board on December 11, 1984**

**Current term expires in 2011**

**Number of Peugeot S.A. shares owned as of December 31, 2008:**  
41,396.

**Business address:** 203, avenue de Molière - 1050 Bruxelles  
- Belgique

**Chairman of the Supervisory Board of Vallourec****Other functions and directorships as of December 31, 2008:**

Chairman of the Supervisory Board of Stena Maritime.  
Director of Bolloré S.A. and SNEF.  
Legal Manager of B Stena International Sarl.

**Former functions and directorships in the past five years:**

Director of SDV Cameroun, Stena Line, Seabulk, Sea-invest France, Carillion plc and Stena International BV.

Member of the Steering Committee of V&M do Brasil.

**Related expertise and professional experience:**

Jean-Paul Parayre has held several executive positions in manufacturing and service companies, including Chairman of the Managing Board of PSA PEUGEOT CITROËN (1977-1984), Chief Executive Officer and then Chairman of Dumez (1984-1990), Vice-Chairman and Chief Executive Officer of Lyonnaise des Eaux Dumez (1990-1992) and Vice-Chairman and Chief Executive Officer of Bolloré Group (1994-1999). He also served as Chairman and Chief Executive Officer of Saga (1996-1999).

**ROBERT PEUGEOT***Born on April 25, 1950*

Member of the Supervisory Board  
Member of the Strategy Committee  
Member of the Finance Committee

**First elected to the Supervisory Board on February 6, 2007**

**Current term expires in 2013**

**Number of Peugeot S.A. shares owned as of December 31, 2008:**  
150.

**Business address:** FFP - 75, avenue de la Grande-Armée -  
75016 Paris - France

**Chairman and Chief Executive Officer of Société Foncière,  
Financière et de Participations – FFP**

**Former member of the PSA PEUGEOT CITROËN Executive Committee**

**Other functions and directorships as of December 31, 2008:**

Chairman of the Board of Directors of Simante, SL.

Member of the Supervisory Board of Hermès International.

Director of B-1998 SL, FCC Construcción S.A., Établissements Peugeot Frères, Imerys, Immeubles et Participations de l'Est, LFPF – La Française de Participations Financières, Sanef, Holding Reignier S.A., WRG – Waste Recycling Group Limited, Alpine Holding and Faurecia.

Legal Manager of CHP Gestion and Rodom.

Permanent representative of FFP on the Supervisory Board of Zodiac.

Legal representative of FFP at Financière Guiraud.

**Former functions and directorships in the past five years:**

Member of the Supervisory Boards of Groupe Taittinger, Citroën Deutschland Aktiengesellschaft and Aviva France.

Director of Institut Français du Pétrole (IFP), Société du Louvre, Peugeot Automobiles United Kingdom Ltd, Citroën Danemark A/S, Fomentos de Construcciones y Contratas S.A. FCC, Aviva Participations, GIE de recherche et d'études PSA Renault and Citroën UK Ltd.

**Related expertise and professional experience:**

Robert Peugeot was a member of the PSA PEUGEOT CITROËN Executive Committee and served as the Group's Vice-President, Innovation and Quality from 1998 to 2007. Since 2002 he has also been Chairman and Chief Executive Officer of Société Foncière, Financière et de Participations – FFP.

**HENRI PHILIPPE REICHSTUL***Born on April 12, 1949*

Member of the Supervisory Board  
Member of the Strategy Committee

**First elected to the Supervisory Board on May 23, 2007**

**Current term expires in 2013**

**Number of Peugeot S.A. shares owned as of December 31, 2008:**  
25.

**Business address:** Av Pedroso de Morais, n° 1553, 8<sup>th</sup> floor,  
05419-001 - São Paulo, SP - Brasil

**Chairman and Chief Executive Officer of Brenco – Companhia  
Brasileira de Energia Renovavel**

**Other functions and directorships as of December 31, 2008:**

Director of Prisma Energy International and Repsol YPF S.A.

**Former functions and directorships in the past five years:**

Director of TAM – Linhas Aéreas S.A., Holdings / Vivo and Pao de Açúcar Group.

**Related expertise and professional experience:**

After earning an economics degree from the University of São Paulo, and doing post-graduate work at Oxford University, Henri Philippe Reichstul began his career as a university professor of economics. He then went on to hold various civil servant positions in Brazil, before serving as Chairman and Director of a variety of companies, including Petrobras, of which he was Chairman from 1999 to 2001.

**MARIE-HÉLÈNE RONCORONI***Born on  
November 17, 1960*

Member of the Supervisory Board  
Member of the Finance Committee

**First elected to the Supervisory Board on June 2, 1999**

**Current term expires in 2011**

**Number of Peugeot S.A. shares owned as of  
December 31, 2008:** 150.

**Business address:** FFP - 75, avenue de la Grande-Armée -  
75016 Paris - France

**Vice-Chairman of Société Foncière, Financière et de Participations – FFP**

**Other functions and directorships as of December 31, 2008:**

Director of La Française de Participations Financières – LFPF, Société Anonyme de Participations – SAPAR, Établissements Peugeot Frères, Immeubles et Participations de l'Est and SIMANTE SL.

Permanent representative of Société Anonyme de Participation – SAPAR on the Board of Directors of Société des Immeubles de Franche-Comté, of Immeubles de Franche-Comté on the Board of Directors of Société Anonyme Comtoise de Participation, and of Société Assurances Mutuelles de France on the Board of Directors of Azur – GMF Mutuelles d'Assurances Associées.

**Former functions and directorships in the past five years:**

Permanent representative of Covéa Ré on the Boards of Directors of MMA Iard Assurances Mutuelles, MMA Vie Assurances Mutuelles, MMA Iard SA, MMA Vie SA and MMA Coopérations.

**Related expertise and professional experience:**

Marie-Hélène Roncoroni began her career in an international audit firm, before holding positions in the PSA PEUGEOT CITROËN Corporate Finance Department for seven years.

**GEOFFROY ROUX DE BÉZIEUX***Born on  
May 31, 1962*

Member of the Supervisory Board

**First elected to the Supervisory Board on May 23, 2007****Current term expires in 2013****Number of Peugeot S.A. shares owned as of December 31, 2008:**  
1,000.**Business address:** Virgin Mobile France -  
40, boulevard Henri Sellier - 92150 Suresnes**Chairman of Virgin Mobile France****Other functions and directorships as of December 31, 2008:**Member of the Supervisory Board of Seloger.com.  
Director of Parrot.**Former functions and directorships in the past five years:**

Director of Nocibé, Fromagers Plus, Micromania and Budget Telecom

**Related expertise and professional experience:**

Geoffroy Roux de Bézieux graduated from the ESSEC business school and held various positions at L'Oréal from 1986 to 1996. He was the founding Chairman of The Phone House, France's leading independent mobile phone retailer. He later sold the company to The Carphone Warehouse, which appointed him as Managing Director Europe in 2000 and Chief Operating Officer in 2003, a position he held until 2006. Since 2006 he has been the Founder-Chairman of Virgin Mobile. He has been President of the CroissancePlus association since 2005.

**ERNEST-ANTOINE SEILLIÈRE***Born on  
December 20, 1937*Member of the Supervisory Board  
Member of the Strategy Committee  
Member of the Compensation and Appointments Committee**First elected to the Supervisory Board on June 22, 1994****Current term expires in 2012****Number of Peugeot S.A. shares owned as of December 31, 2008:**  
600.**Business address:** Wendel Investissement - 89, rue Taitbout -  
75009 Paris - France**Chairman of the Supervisory Board of Wendel****Other functions and directorships as of December 31, 2008:**

Chairman and Chief Executive Officer of Société Lorraine de Participations Sidérurgiques – SLPS.

Chairman of the Supervisory Board of Oranje – Nassau Groep B.V.

Member of the Supervisory Boards of Bureau Veritas, Editis Holding, Gras-Savoie and Hermès International S.A.

Director of Legrand and Sofisamc (Switzerland).

**Former functions and directorships in the past five years:**

Chairman and Chief Executive Officer of CGIP, Marine-Wendel and Legrand Holding.

Vice-Chairman of the Board of Directors of Cap Gemini.

Director of Editis.

Permanent representative of Sofiservice on the Board of Directors of Bureau Veritas.

**Related expertise and professional experience:**

Ernest-Antoine Seillière has sat on various boards in the capacity of Chairman and Director.

**JOSEPH F. TOOT JR.***Born on June 13, 1935*

Member of the Supervisory Board

**First elected to the Supervisory Board on May 24, 2000****Current term expires in 2012****Number of Peugeot S.A. shares owned as of December 31, 2008:**  
150.**Business address:** The Timken Company - 1835 Dueber Ave. -  
SW P.O. Box 6928 Canton, OH 44706-0926 - United States**Former Chief Executive Officer of The Timken Company****Other functions and directorships as of December 31, 2008:**

Director of Rockwell Automation, Rockwell Collins and The Timken Company.

**Former functions and directorships in the past five years:**

None.

**Related expertise and professional experience:**

Former Chief Executive Officer of The Timken Company.

**FRANÇOIS MICHELIN***Born on June 15, 1926*

Advisor to the Supervisory Board

**First elected as advisor to the Supervisory Board on July 25, 2006****Current term expires in 2012****Number of Peugeot S.A. shares owned as of  
December 31, 2008:** 150.**Business address:** Pardevi - 23, place des Carmes Déchaux -  
63040 Clermont-Ferrand - France**Chairman of Participation et Développement Industriels S.A. – Pardevi****Other functions and directorships as of December 31, 2008:**

Managing General Partner with unlimited liability of Compagnie Financière Michelin (Switzerland).

Vice-Chairman of ANSA.

**Former functions and directorships in the past five years:**

Managing General Partner of Compagnie Générale des Établissements Michelin (CGEM) and Manufacture Française des Pneumatiques Michelin (MFPM).

Partner with unlimited liability of Michelin Reifenwerke (MRW).

**Related expertise and professional experience:**

Under François Michelin's leadership, Michelin rose from the world's tenth largest tire manufacturer to one of the top three.

**ROLAND PEUGEOT***Born on March 20, 1926*

Advisor to the Supervisory Board

**First elected as advisor to the Supervisory Board on May 16, 2001****Current term expires in 2013****Number of Peugeot S.A. shares held as of December 31, 2008: 20,041.****Business address:** Établissements Peugeot Frères -  
75, avenue de la Grande-Armée - 75016 Paris - France**Honorary Chairman of Établissements Peugeot Frères****Other functions and directorships as of December 31, 2008:**Honorary Chairman of Football Club Sochaux Montbéliard – FCSM.  
Permanent representative of Établissements Peugeot Frères on the Board of Directors of LFPF – La Française de Participations Financières.**Former functions and directorships in the past five years:**

Director of Société Foncière, Financière et de Participations – FFP.

**Related expertise and professional experience:**

Roland Peugeot has held several positions as Chairman in the PSA PEUGEOT CITROËN Group; in particular he served as Chairman of the Supervisory Board from 1972 to 1998. He was also a Director of Automobiles Peugeot from 1982 to 1996.

## Information concerning members of the Managing Board as of April 30, 2009

**ROLAND VARDANEGA***Born on June 27, 1943*

Member of the Managing Board

**First appointed to the Managing Board on 6 February 2007****Current term expires in 2011****Number of Peugeot S.A. shares owned as of December 31, 2008: 0.****Roland Vardanega was appointed Chairman of the Managing Board on 30 March 2009 and will be replaced by Philippe Varin on 1 June 2009.****Business address:** PSA PEUGEOT CITROËN -  
Centre technique Vélizy A - Route de Gisy -  
78140 Vélizy-Villacoublay - France**Member of the Managing Board of PSA Peugeot Citroën  
Executive Vice-President, Manufacturing and Components****Other functions and directorships as of December 31, 2008:**Chairman of Peugeot Citroën Automoviles Portugal SA.  
Director of Esso – SAF, Peugeot Citroën Automobiles, Peugeot Citroën Automoviles España SA, Peugeot Citroën Automoviles Portugal SA, Résidence de Chantilly, Résidéal Santé and La Closserie des Tilleuls.  
Representative of the Legal Manager for Société Mécanique Automobile de l'Est, Peugeot Citroën Poissy, Peugeot Citroën Sochaux SNC, Peugeot Citroën Mulhouse SNC, Peugeot Citroën Aulnay, Peugeot Citroën Rennes, Peugeot Citroën Mécanique du Nord Ouest and Peugeot Citroën Mécanique de l'Est.  
Legal Manager of Vardanega Invest.**Former functions and directorships in the past five years:**Chairman of Societa Europea Veicoli Leggeri-Sevel Spa, Peugeot Citroën Automobiles UK Ltd and La Closserie des Tilleuls.  
Director of Société Européenne de Véhicules Légers du Nord – Sevelnord.**Related expertise and professional experience:**

Roland Vardanega joined PSA Peugeot Citroën in 1967. He has held numerous executive positions, particularly in production and human resources management, and was a member of the Group's Executive Committee from 1998 to 2007.

**PHILIPPE VARIN***Born on August 8, 1952*

First appointed to the Managing Board on 1 June 2009

**Chairman of the Managing Board as from 1 June 2009****Current term expires in 2011****Business address:** PSA PEUGEOT CITROËN -  
75, Avenue de la Grande-Armée - 75016 Paris - France**Chairman of the Managing Board of PSA Peugeot Citroën****Former directorships held in the past five years**Director of Tata Steel Europe Limited, Tata Steel Limited, Tata Steel UK Limited  
Member of the Executive Committee of World Steel Association  
Non-executive director of BG Group plc.  
President of the European Confederation of Iron and Steel Industries (Eurofer)**Related expertise and professional experience:**

Philippe Varin has spent his entire career with the two major global corporations, Pechiney and Corus. He joined Pechiney in 1978 where he held a number of different executive positions in various areas including R&amp;D, budget control, strategy and project management before being appointed as President of the Rhenalu division in 1995. In 1999 he became Senior Executive President, Aluminium and a member of the Executive Committee.

Mr Varin joined Corus, the then troubled Anglo-Dutch steel company, as Chief Executive in April 2003 and led the company's manufacturing and financial recovery. He successfully orchestrated Corus' merger with Tata Steel in March 2007 as a way for the business to participate in the consolidation of the steel industry and ensure its continued development. He then served for two years as Chief Executive Officer of Tata Steel in order to complete the integration of Corus into the new Group.

**GRÉGOIRE OLIVIER***Born on October 19, 1960*

Member of the Managing Board

**First appointed to the Managing Board on 6 February 2007****Current term expires in 2011****Number of Peugeot S.A. shares owned as of December 31, 2008: 0.****Business address:** PSA PEUGEOT CITROËN ADN -  
Route Nationale 118 - 78140 Vélizy-Villacoublay - France**Member of the Managing Board of PSA Peugeot Citroën  
Executive Vice-President, Programmes****Other functions and directorships as of December 31, 2008:**Director of Peugeot Citroën Automobiles.  
Member of the Supervisory Board of Wendel.**Former functions and directorships in the past five years:**Chairman and Chief Executive Officer of Faurecia.  
Chairman and Chief Executive Officer of Sagem Communication.  
Chairman of the Managing Board of Sagem.  
Member of the Managing Board of Safran.  
Vice-Chairman of the Club Sagem Executive Committee.  
Director of Snecma, Sagem Défense et Sécurité and Imerys**Related expertise and professional experience:**

Grégoire Olivier has held senior management positions in a number of manufacturing companies.

**JEAN-PHILIPPE COLLIN***Born on May 25, 1956*

Member of the Managing Board

**First appointed to the Managing Board on 1 January 2008****Current term expires in 2011****Number of Peugeot S.A. shares owned as of December 31, 2008: 0.****Business address:** Automobiles Peugeot -  
75, Avenue de la Grande-Armée - 75016 Paris - France**Member of the Managing Board of PSA Peugeot Citroën  
Executive Vice President of Automobiles Peugeot****Other functions and directorships as of December 31, 2008:**Director of Peugeot Motorcycles and Peugeot España.  
Permanent representative of Automobiles Peugeot on the Board of Directors of Banque PSA Finance.**Former functions and directorships in the past five years:**

Chairman and Chief Executive Officer of Keymro.

**Related expertise and professional experience:**

Jean-Philippe Collin held several executive positions in the areas of technology, quality and purchasing at IBM, Valeo and Thomson before being appointed in 2004 as Executive Vice-President, Purchasing of PSA Peugeot Citroën. He became a member of the Expanded Executive Committee in February 2007 and was appointed Chief Executive Officer of Automobiles Peugeot and a member of the Managing Board on 1 January 2008.

**JEAN-MARC GALES***Born on August 16, 1962*

Member of the Managing Board

**First appointed to the Managing Board on 21 April 2009****Current term expires in 2011****Business address:** Automobiles Citroën -  
Immeuble Colisée III - 12, rue Fructidor - 75017 Paris - France**Member of the Managing Board of PSA Peugeot Citroën  
Executive Vice President, Automobiles Citroën****Other functions and directorships as of 30 April 2009**Director of Automobiles Citroën  
Chairman of Citer SA  
Permanent representative of Automobiles Citroën on the Board of Banque PSA Finance**Related expertise and professional experience:**

Mr Gales has spent most of his career in the automobile industry, notably with Volkswagen, General Motors and BMW.

# 2008 BUSINESS REVIEW

## PSA PEUGEOT CITROËN Group

### Highlights

- **Market share maintained at 5% worldwide and 13.8% in Western Europe.**
- **Global sales down 4.9% to 3,260,388 units.**
- **Sales and revenue down 7.4% to €54,356 million.**
- **Recurring operating income: €550 million.**
- **Operating margin of 1% of sales and revenue.**
- **Non-recurring operating expense: €917 million.**
- **Net loss Group share for the year: €343 million.**
- **€1,414 million in cost savings from the CAP 2010 plan.**
- **Production stoppages in the fourth quarter to reduce inventory.**
- **CASH 2009 plan launched to manage cash.**

2008 was a highly contrasted year varying significantly from the first half of the year to the second:

- the first six months of the year showed strong improvements in both worldwide sales (up 4.6%) and operating margin (3.7% of sales and revenue), in line with the CAP 2010 programme;

- the second half saw the collapse of global automobile markets and a subsequent increase in inventory. In response, the Group significantly reduced production in the fourth quarter and prioritised the reduction of stock in the dealer network. These two actions had a major negative effect on the profitability of the Group.

In 2008, the CAP 2010 competitiveness programme delivered €1.414 billion in cost savings.

In this highly unfavourable environment, the Group successfully maintained its market share during the year by leveraging a number of strengths:

- a record pace of new model launches;
- best selling models demonstrating record quality (the Peugeot 308 and Citroën C5);
- sustained leadership in low-emission vehicles with 1.1 million sold emitting less than 140 g CO<sub>2</sub>/km;
- uncontested leadership in light commercial vehicles, with 19.9% of the European market.

### Key figures

#### Sales and Revenue

**Sales and revenue fell by 7.4% in 2008, to €54,356 million from €58,676 million in 2007.** After a first half that saw sales increase slightly (+0.7%), sales and revenue reduced significantly in the second half of 2008, as the collapse of automotive markets spread around the world and sales shifted towards smaller vehicles.

Automobile Division sales and revenue totalled €41,643 million in 2008, down 8.5%. Group worldwide unit sales declined 4.9% to 3,260,388 units.

Faurecia's sales and revenue totalled €12,011 million in 2008, down 5.1% compared to 2007 (€12,661 million).

Gefco reported €3,536 million in sales and revenue in 2008, down 0.5% compared with 2007 (€3,554 million).

Banque PSA Finance performed well, with sales and revenue totalling €2,088 million in 2008, up 4.5% compared with 2007.

## Results

**Recurring operating income fell to €550 million in 2008 from €1,752 million in 2007.** After increasing 32.4% in the first half, recurring operating income was negative in the second half, reflecting the collapse in volumes sold and the reduced fixed cost absorption due to groupwide production stoppages. The recurring operating margin ended the year at 1% after a continued improvement in the first half. The momentum of cost savings continued from the CAP 2010 programme to reach €1,414 million for the full year.

Faurecia's recurring operating income fell to €91 million from €121 million in 2007.

Gefco recorded recurring operating income of €127 million (compared to €155 million in 2007), reflecting improved cost management and the quick implementation of action plans, which allowed the company to compensate partially for rising fuel prices during the first nine months of the year and reducing production at customer manufacturing plants.

Banque PSA Finance's recurring operating income contracted to €557 million from €608 million in 2007.

**Non-recurring operating expense amounted to €917 million.** The unprecedented collapse in the automotive

market triggered the launch of new restructuring plans in both the Automobile Division and at Faurecia for a total of €512 million. In addition, the impact of the fall in demand and the prospect of further contraction led to an aggregate €405 million in exceptional impairment charges in the Automobile Division and in Faurecia's vehicle interior business.

**The net loss attributable to the Group amounted to €343 million for the year.**

## Net financial position

**The net financial position was a negative €2,906 million at 31 December 2008, while operating cash flow stood at €2,380 million for the year\*.** However, while free cash flow was positive in the first half of the year, the collapse in the automotive markets and the resulting inventory build-up led to a very significant increase in working capital requirement in the second half of the year. In 2008 capital expenditure and R&D outlays amounted to €3.8 billion. As a result, the Group ended the year with negative free cash flow of €3,764 million.

The Group's financial structure is solid. Equity amounted to €13,277 million at 31 December 2008. The Group's gearing ratio was 22% at year-end, allowing considerable leveraging headroom.

### PSA PEUGEOT CITROËN

(units)	2007	2008
Worldwide sales	3,428,366	3,260,388

### CONSOLIDATED REVENUES

(million euros)	2007	2008
Automobile	45,519	41,643
Faurecia	12,661	12,011
Gefco	3,554	3,536
Banque PSA Finance	1,999	2,088
Inter-activity eliminations and other activities	(5,057)	(4,922)
<b>TOTAL PSA PEUGEOT CITROËN</b>	<b>58,676</b>	<b>54,356</b>

### SUMMARY OF CONSOLIDATED FINANCIAL RESULTS

(million euros)	2007	2008
Recurring operating income	1,752	550
Operating profit/(loss)	1,120	(367)
Consolidated net income	826	(500)
Net income, group share	885	(343)

\* Industrial and commercial companies.

**FINANCING AND FINANCIAL POSITION**

<i>(million euros)</i>	<b>2007</b>	<b>2008</b>
Cash flow*	3,515	2,380
Capital expenditure (excl. R&D)*	2,079	2,156
Net financial position*	1,404	(2,906)
Equity	14,555	13,277

\* Of manufacturing and sales companies.

**HEADCOUNT**

	<b>2007</b>	<b>2008</b>
Employees under contract (worldwide)	207,800	201,700

# PEUGEOT S.A. FIVE-YEAR FINANCIAL SUMMARY

(In compliance with Articles R. 225-81, R. 225-83 and R. 225-102 of the French Commercial code)

(in euros)	2008	2007	2006	2005	2004
<b>I - FINANCIAL POSITION AT DECEMBER 31</b>					
a - Capital stock <sup>(1)</sup>	234,048,798	23,280,298	234,618,266	234,618,266	243,109,146
b - Shares outstanding	234,048,798	234,280,298	234,618,266	234,618,266	243,109,146
<b>II - RESULTS OF OPERATIONS</b>					
a - Net revenues	638,330,276	837,261,848	777,903,611	957,902,589	1,091,639,443
b - Income before tax, employee profit-sharing, depreciation, amortisation and provisions	518,965,886	740,999,549	730,770,923	818,698,967	949,166,548
c - Employee profit sharing (charge for the year)	-	-	-	-	-
d - Income tax <sup>(2)</sup>	121,708,369	67,780,191	130,753,783	64,458,584	103,617,707
e - Net income	47,527,964	525,580,339	747,728,148	904,989,653	1,031,594,676
f - Dividends	-	351,420,447	316,734,659	316,734,659	328,197,347
<b>III - PER SHARE DATA <sup>(3)</sup></b>					
a - Income after tax and employee profit-sharing before depreciation, amortisation and provisions	2.74	3.45	3.67	3.76	4.33
b - Net income	0.20	2.24	3.19	3.86	4.24
<b>c - Dividend per share:</b>					
Dividend	0.00	1.50	1.35	1.35	1.35
Tax already paid (tax credit) <sup>(3)</sup>	-	-	-	-	-
= Total revenue	-	-	-	-	-
<b>IV - EMPLOYEES</b>					
a - Average number of employees	355	390	453	480	495
b - Total payroll	38,514,763	37,01,614	38,983,986	40,292,304	38,075,578
c - Total benefits (National Health Insurance, retirement pensions, etc.)	15,865,706	18,133,174	14,338,277	18,890,052	17,475,520

(1) Movements in capital stock from 2004 to 2008 resulted from the cancellation of shares following their purchase on the open market.

(2) Since January 1, 1990, a consolidated tax return has been filed by the Company and its French subsidiaries that are at least 95 % owned.

The income tax charge includes current taxes for the year and movements in provisions for deferred taxes.

(3) Beginning with dividends received in 2005, the tax credit has been replaced with tax relief.

# AUDITORS' REPORTS

## Statutory Auditors' Report on the Financial Statements of Peugeot S.A.

### Year ended 31 December 2008

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2008, on:

- the audit of the accompanying financial statements of Peugeot S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

The financial statements have been approved by the Managing Board. Our role is to express an opinion on these financial statements based on our audit.

### I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the financial position and assets and liabilities of the Company as of 31 December 2008, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

Without qualifying our opinion, we draw your attention to the matter set out in Note 1J to the financial statements, which specifies the impact of the first-time application at 1 January 2008 of standard CRC 2008-15 of the French Accounting Standards Committee (*Comité de la Réglementation Comptable*) relating to stock option plans.

### II - Justification of our assessments

In accordance with the requirements of Article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

#### CHANGES IN ACCOUNTING METHOD

As part of our assessment of the accounting rules and principles applied by your Company, we ensured that the above-mentioned change in accounting method and the presentation thereof in the financial statements was appropriate.

#### ACCOUNTING RULES, PRINCIPLES AND ESTIMATES

At each balance sheet date, the Company determines the value in use of its investments using the methods described in notes 1C, 1D and 1F to the financial statements, and sets aside a provision for impairment when the carrying amount exceeds value in use, as described in notes 3, 5 and 7 to the financial statements. As part of our assessment of the accounting principles applied and significant estimates made to prepare the financial statements, we verified the appropriateness of the accounting methods described in the financial statements and correct application thereof, as well as the reasonableness of the underlying estimates.

These assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### III - Specific verifications and information

We have also performed the specific verifications required by law.

We have no matters to report regarding:

- the fair presentation and conformity with the financial statements of the information given in the management report of the Managing Board, and in the documents addressed to shareholders with respect to the financial position and the financial statements;
- the fair presentation of the information provided in the management report of the Managing Board in respect of remuneration granted to certain corporate officers and any other commitments

made in their favour in connection with, or subsequent to, their appointment, termination or change in function, in view of the clarifications provided by reference to the management report of the listed company Foncière, Financière et de Participations (FFP) on the remuneration and benefits paid by the companies of the Peugeot family group to certain corporate officers of your Company.

In accordance with the law, we have verified that the management report contains the appropriate disclosures regarding acquisitions of investments and controlling interests, the identity of shareholders and holders of voting rights.

Neuilly-sur-Seine and Courbevoie, 21 April 2009

The Statutory Auditors

PricewaterhouseCoopers Audit  
Pierre Riou

Mazars  
Loic Wallaert

## Statutory Auditors' Report on the Consolidated Financial Statements

*This is a free translation into English of the Statutory Auditors' Report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' Report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2008, on:

- the audit of the accompanying consolidated financial statements of Peugeot S.A.;
- the justification of our assessments;
- the specific verifications required by law.

The consolidated financial statements have been approved by the Managing Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

### I - Opinion on the Consolidated Financial Statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes verifying, on a test basis, or by other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing

the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2008 and of the results of its operations for the year then ended in accordance with IFRS as adopted by the European Union.

Without qualifying our opinion expressed above, we draw your attention to note 2 to the consolidated financial statements listing the reclassifications recorded in the consolidated income statement between Sales and revenue, Cost of goods and services sold and Selling, general and administrative expenses. This change in accounting presentation has no impact on consolidated profit or equity reported in prior years.

### II - Justification of our Assessments

Accounting estimates used in preparing the financial statements at December 31, 2008 were made in light of the current economic and financial crisis affecting the automotive industry, characterized by the difficulty in assessing the economic outlook. Against this backdrop,

and in accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- the consolidated statement of cash flows shows a significant decrease in cash and cash equivalents during the year. We ensured that the notes to the consolidated financial statements disclose appropriate information on the Company's current and foreseeable financial position, as well as on the management of liquidity risk within its various businesses (notes 37.1.F and 38);
- in the context of our assessment of the accounting principles and methods applied by the Company, we examined the criteria for recognizing development expenditure as an intangible asset and for amortizing said expenditure (note 1.11 A). We also examined the method for determining the revenue related to sales of new vehicles with a buyback commitment (note 1.5.A.a);
- as indicated in note 1.10, goodwill is not amortized but is tested for impairment at least annually according to the method set out in note 1.13, which is also applicable to all other long-lived assets. In 2008, the impairment tests led to write-downs on assets allocated to two of the Automobile Division's cash-generating

units (note 9.1), and on certain assets of the Automotive Equipment Division (Faurecia Group) (note 9.2), in particular the total write down of residual goodwill relating to the Vehicle Interiors business. As part of our assessment of the significant estimates made by management, we verified that this approach complied with IFRS and that the impairment tests described in the notes to the consolidated financial statements were carried out correctly. We also reviewed the available documentation, notably relating to cash flow projections applied and other assumptions used.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### III - Specific Verification

In accordance with professional standards applicable in France, we have also verified the information given in the Group's Management Report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Courbevoie and Neuilly-sur-Seine, March 13, 2009

The Statutory Auditors

Mazars  
Loïc Wallaert

PricewaterhouseCoopers Audit  
Pierre Riou

## Statutory Auditors' Special Report on related party agreements and commitments

### Year ended 31 December 2008

*This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity as Statutory Auditors of Peugeot S.A., we hereby report to you on related party agreements and commitments.

### Agreements and commitments authorised during 2008

In accordance with Article L.225-88 of the French Commercial Code (*Code de commerce*), we were informed of the following agreements and commitments authorised by your Supervisory Board during 2008.

Our responsibility does not include identifying any undisclosed agreements or commitments. We are required to report to shareholders, based on the information provided, about the main terms and conditions of agreements and commitments that have been disclosed to us, without commenting on their relevance or

substance. Under the provisions of Article R.225-58 of the French Commercial Code, it is the responsibility of shareholders to determine whether the agreements and commitments are appropriate and should be approved.

We performed our procedures in accordance with professional standards applicable in France. These standards require us to perform procedures to verify that the information given to us agrees with the underlying documents.

### **Loan granted by Peugeot S.A. to its subsidiary, Faurecia**

At its meeting of 21 October 2008, the Supervisory Board of Peugeot S.A. authorised the granting of a loan to its subsidiary, Faurecia, for a maximum amount of €250 million subject to the same rates and periods (two tranches of three and five years) as Faurecia's syndicated bank loan.

At 31 December 2008, €194 million had been drawn down by Faurecia on this loan. Accrued interest recognised with respect to 2008 amounted to €363 thousand.

Robert Peugeot and Thierry Peugeot were parties to the authorisation of the agreement in their capacities as members of the Supervisory Board of Peugeot S.A. and of the Board of Directors of Faurecia.

### **Commitments made in favour of corporate officers**

We remind you that our special report of 21 April 2008 gave details of the following agreements relating to commitments in favour of members of the Managing Board in office at that date (Messrs. Streiff, Olivier, Collin, Michel and Vardanega), which were approved by the shareholders' meetings of 23 May 2007 and 28 May 2008:

- In addition to being covered by government-sponsored basic and supplementary pension plans, eligible Managing Board members are also entitled to pension benefits funded under an insured plan set up specially for Group senior management. Benefits are capped at 50% of the average of their gross compensation, including bonuses, for their best three years out of their last five in the job. Members are only eligible for this supplementary pension benefit if, in particular, they have occupied a senior management position in the Group for at least five years.
- At the end of their term of office, the Managing Board members' employment contracts with Peugeot S.A., which were suspended upon their appointment as corporate officers, will be reinstated, with annual compensation set at an amount equal to their latest base salary plus the average of the last three years' bonuses. Their entire term as member of the Managing Board will be taken

into account for the purpose of calculating their seniority under the employment contract. In accordance with Article 225-42-1 of the French Commercial Code, eligibility for the above-described provision is subject to members of the Managing Board concerned having received an average bonus during their term of office equal to at least 60% of their average base salary over the same period.

### **Agreements and commitments previously approved which remained in force during the year**

In accordance with the French Commercial Code, we were informed that the following agreements and commitments previously approved remained in force during the past year.

Implementation in 2008 of commitments made in favour of corporate officers

The agreements relating to the commitments made in favour of the five corporate officers referred to above were not applied directly during 2008. As Gilles Michel resigned from his position as a member of the Managing Board with effect from 31 December 2008, his employment contract was not reinstated. No additional compensation was paid with respect to the termination of Gilles Michel's term of office and he will not receive any pension benefits under the insured plan for Group senior management.

These agreements remained in force for the other four members of the Managing Board as at 31 December 2008.

### **Other guarantees**

The following table sets out the other guarantees previously given by your Company, with the amount outstanding as at 31 December 2008 and the compensation received during the year.

Type	Beneficiary of guarantee	Beneficiary of loan	Initial amount of loan in base currency	Amount outstanding under guarantee at 31 Dec. 2008	Compensation in 2008
Joint and several surety and guarantee	B.E.I	GIE Vulcain Energie	FRF 1,300,000,000	GBP 14,000,000	€31,412
Joint and several guarantee	IBIC	TPCA	€78.750.000	€78.750.000	€47,283
Joint and several guarantee	IBIC	TPCA	€78.750.000	€26.250.000	€39,139

### **Share of Group general and administrative expenses**

In 2008, a total of €88,415,834 was received in respect of subsidiaries' share of Group general and administrative expenses.

Courbevoie and Neuilly-sur-Seine, 21 April 2009

The Statutory Auditors

Mazars  
Loïc Wallaert

PricewaterhouseCoopers Audit  
Pierre Riou

# Statutory Auditors' Report, Prepared in Accordance with Article L. 225-235 of the French Commercial Code, on the Report Prepared by the Chairman of the Supervisory Board of Peugeot SA

**Year ended December 31, 2008**

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity as Statutory Auditors of Peugeot SA, and in accordance with Article L. 225-235 of the French Commercial Code (*Code de commerce*), we report to you on the report prepared by the Chairman of the Supervisory Board of your Company in accordance with Article L. 225-68 of the French Commercial Code for the year ended December 31, 2008.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L. 225-68 of the French Commercial Code, in particular relating to corporate governance.

It is our responsibility to:

- report to you our observations on the information set out in the Chairman's report on internal control procedures relating to the preparation and processing of financial and accounting information; and
- attest that the report sets out the other information required by Article L. 225-68 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

## Information Concerning the Internal Control Procedures Relating to the Preparation and Processing of Financial and Accounting Information

Professional standards require that we perform procedures to assess the fairness of the information on internal control procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control procedures relating to the preparation and processing of financial and accounting information, contained in the report prepared by the Chairman of the Supervisory Board in accordance with Article L. 225-68 of the French Commercial Code.

## Other Information

We attest that the Chairman's report sets out the other information required by Article L. 225-68 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, March 13, 2009

The Statutory Auditors

PricewaterhouseCoopers Audit  
Pierre Riou

Mazars  
Loïc Wallaert

## Statutory Auditors' report on the proposed issue of stock warrants while a takeover bid for the Company is in progress (twelfth resolution)

*This is a free translation into English of the original Statutory Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the stockholders,

In our capacity as Statutory Auditors of Peugeot S.A. and in accordance with Article L. 228-92 of the French Commercial Code, we present below our report on the authorisation being sought by the Managing Board to issue stock warrants, on one or more occasions and without consideration, while a takeover bid for the Company is in progress.

On the basis of its report, and in accordance with Article L. 233-32 II of the French Commercial Code, the Managing Board is inviting stockholders to authorise it to:

- Issue stock warrants, in accordance with Article L. 233-32 II of the French Commercial Code, that are exercisable on preferred terms for Peugeot S.A. shares, and to allocate said warrants free of consideration to all stockholders that have this status before the end of the offer period under the takeover bid.
- Determine the characteristics of the warrants and their terms of exercise.

This authorisation would cover any takeover bid lodged within a period of eighteen months of this Meeting and would expire at the end of the offer period under any such takeover bid.

The number of stock warrants issued would not exceed

160,000,000, and the aggregate par value of shares issued on exercise of the warrants would not exceed €160,000,000. This amount would be included in the ceilings specified for capital increases in the sixth and seventh resolutions of this Meeting.

The Managing Board is responsible for drawing up a report in accordance with Articles R. 225-113 and R. 225-114 of the French Commercial Code. Our responsibility is to express an opinion on the fairness of the financial information taken from the financial statements and on certain other information about the proposed issue(s) given in the Managing Board's report.

We performed all the procedures that we considered necessary in accordance with the professional standards applicable in France. Those procedures consisted of verifying the information contained in the Managing Board's report on the proposed issue(s).

We have no comments to make on the possible issue of stock warrants while a takeover bid for the Company is in progress, as described in the Managing Board's report.

As required by Article R.225-116 of the French Commercial Code, if and when the Managing Board decides to issue such warrants pursuant to this authorisation we will draw up a further report prior to approval of the issue by stockholders in accordance with Article L.233-32 III of said Code.

Neuilly sur Seine and Courbevoie, 21 April 2009

The Statutory Auditors

PricewaterhouseCoopers Audit  
Pierre Riou

Mazars  
Loic Wallaert

## Statutory Auditors' report on the proposed employee share issue(s), without pre-emptive subscription rights for existing stockholders (ninth and eleventh resolutions)

*This is a free translation into English of the original Statutory Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the stockholders,

In our capacity as Statutory Auditors of Peugeot S.A. and in accordance with Articles L. 225-135 et seq. of the French Commercial Code, we present below our report on the resolution tabled at the Extraordinary Meeting to authorise the Managing Board to increase the Company's capital on one or more occasions by issuing shares

to employees, without pre-emptive subscription rights for existing stockholders. The maximum aggregate par value of the shares issued under this authorisation would be set at €15,000,000.

This resolution is presented for stockholder approval in compliance with Article L. 225-129-6 of the French Commercial Code and Articles L. 3332-18 and L. 3332-20 of the French Labour Code.

As explained in its report, the Managing Board is seeking full powers to determine the terms and conditions of the issue(s), which may be carried out within a twenty-six month period and would entail the waiver of stockholders' pre-emptive subscription rights.

In addition, in the eleventh resolution the Managing Board is seeking an eighteen-month authorisation to carry out issue(s) under this resolution while a takeover bid for the Company is in progress.

The Managing Board is responsible for drawing up a report in accordance with Articles R. 225-113 and R. 225-114 of the French Commercial Code. Our responsibility is to express an opinion on the fairness of the financial information taken from the financial statements, on the proposal to waive stockholders' pre-emptive subscription rights and on certain other information about the proposed issue(s) given in the Managing Board's report.

We performed all the procedures that we considered necessary in accordance with the professional standards applicable in

France. Those procedures consisted of verifying the information contained in the Managing Board's report on the proposed issue(s) and the method used to determine the issue price of the shares concerned.

Subject to the subsequent review of the final terms and conditions of any such share issue(s), we have no comments to make on the method to be used to set the price of the shares concerned, as described in the Managing Board's report.

As the issue price has not yet been set we cannot and do not express any opinion on the final terms and conditions of the issue(s) or on the proposal made to stockholders to waive their pre-emptive subscription rights.

As required by Article R.225-116 of the French Commercial Code, we will draw up a further report if and when the Managing Board carries out any issues pursuant to this authorisation.

Neuilly sur Seine and Courbevoie, 21 April 2009

The Statutory Auditors

PricewaterhouseCoopers Audit  
Pierre Riou

Mazars  
Loïc Wallaert

## Statutory Auditors' report on the proposed issue(s) of shares and/ or share equivalents, either with or without pre-emptive subscription rights (sixth, seventh, eighth and eleventh resolutions)

*This is a free translation into English of the original Statutory Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the stockholders,

In our capacity as Statutory Auditors of Peugeot S.A., and in accordance with Articles L. 225-135 and L. 228-92 of the French Commercial Code, we present below our report on the resolutions tabled at the Extraordinary Meeting to authorise the Managing Board to issue shares and/or share equivalents.

As explained in its report, the Managing Board is seeking a twenty-six month authorisation to carry out the issues described below and to determine their terms and conditions. Stockholders would be required to waive their pre-emptive subscription rights where applicable.

- The issue of ordinary shares denominated in euros and/or securities denominated in euros or foreign currencies conferring the right to acquire, immediately or in the future, Peugeot S.A. ordinary shares, with pre-emptive subscription rights for existing shareholders (sixth resolution)
- The issue of ordinary shares and/or securities conferring the right to acquire, immediately or in the future, Peugeot S.A. ordinary shares, without pre-emptive subscription rights for existing shareholders (seventh resolution).

In the eleventh resolution, the Managing Board is also seeking stockholder approval to use the above authorisations where a

takeover bid for the Company is in progress and the first paragraph of Article L. 233-33 of the French Commercial Code applies.

The aggregate nominal amount of debt securities conferring the right to equity issued pursuant to the sixth, seventh and eleventh resolutions may not exceed €1,500,000,000.

If stockholders adopt the eighth resolution, the number of securities issued under the authorisations granted in the sixth and seventh resolutions may be increased in accordance with the conditions set out in Article L. 225-135-1 of the French Commercial Code.

The Managing Board is responsible for drawing up a report in accordance with Articles R. 225-113, R. 225-114 and R.225-117 of the French Commercial Code. Our responsibility is to express an opinion on the fairness of the financial information taken from the financial statements, on the proposal to waive stockholders' pre-emptive subscription rights and on certain other information about the proposed issue(s) given in the Managing Board's report.

We performed the procedures that we considered necessary in accordance with the professional standards applicable in France. Those procedures consisted of verifying the information contained in the Managing Board's report on the proposed issue(s) and the method used to determine the issue price of the securities concerned.

Subject to the subsequent review of the final terms and conditions of any such issue(s), we have no comments to make on the method to be used to set the issue price as described in the section of the Managing Board's report on the seventh resolution.

As the Managing Board's report does not describe the method to be used to set the price of any issue(s) carried out pursuant to the sixth resolution, we are not in a position to express an opinion on the amount of said issue price or how it will be calculated.

As the issue price has not yet been set we cannot and do not express any opinion on the final terms and conditions of the issue(s) or on the proposal made in the seventh resolution for stockholders to waive their pre-emptive subscription rights.

As required by Article R. 225-116 of the French Commercial Code, we will draw up a further report if and when the Managing Board uses these authorisations to issue ordinary shares without pre-emptive subscription rights or securities conferring the right to equity.

Neuilly sur Seine and Courbevoie, 21 April 2009

The Statutory Auditors

PricewaterhouseCoopers Audit  
Pierre Riou

Mazars  
Loïc Wallaert

## Statutory Auditors' report on the proposed reduction in the Company's capital by cancelling shares acquired under buyback programmes (tenth and eleventh resolutions)

*This is a free translation into English of the original Statutory Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the stockholders,

In our capacity as Statutory Auditors of Peugeot S.A., and in accordance with paragraph 7 of Article L. 225-209 of the French Commercial Code concerning capital reductions carried out by cancelling shares acquired under buyback programmes, we present below our report on our assessment of the underlying reasons for the proposed capital reduction and the related terms and conditions.

We performed all the procedures that we considered necessary in accordance with the professional standards applicable in France. Those procedures consisted of examining whether the underlying reasons for the proposed capital reduction and the related terms and conditions are appropriate.

The authorisation to reduce the Company's capital is being sought in connection with a share buyback programme submitted for stockholder approval in the fifth resolution. If approved, the Managing Board would be given an eighteen-month authorisation to buy back

a maximum of 16,000,000 Peugeot S.A. shares in accordance with Article L 225-209 of the French Commercial Code.

In the tenth resolution, the Managing Board is inviting stockholders grant it full powers to cancel the Peugeot S.A. shares bought back by the Company. The number of shares cancelled in any given twenty-four month period would be capped at 10% of the Company's capital stock.

In the eleventh resolution, the Managing Board is requesting stockholders to grant it an eighteen-month authorisation to use the above authorisation while a takeover bid for the Company is in progress.

We have no comments to make on the underlying reasons for the proposed capital reduction – which will be dependent on stockholders authorising the proposed share buyback programme – or the related terms and conditions.

Neuilly sur Seine and Courbevoie, 21 April 2009

The Statutory Auditors

PricewaterhouseCoopers Audit  
Pierre Riou

Mazars  
Loïc Wallaert

# REQUEST FOR DOCUMENTS AND INFORMATION

## PEUGEOT S.A. COMBINED ANNUAL AND EXTRAORDINARY STOCKHOLDERS' MEETING - WEDNESDAY, JUNE 3, 2009

PLEASE RETURN THIS REQUEST  
to the bank or broker that manages  
your share account

(to be returned in the same envelope as your form of proxy/postal voting form)

I, the undersigned:

Ms  Mr.  Company

Last name (or company name): .....

First name: .....

Address: .....

Post code:      City: ..... Country: .....

E-mail address: : .....

Owner of ..... registered shares of Peugeot S.A.

and/or ..... abearer shares of Peugeot S.A.

request, as provided for in article R. 225-88 of the French Commercial Code, the documents and other information concerning the Annual Meeting of June 3, 2009, as described in article R. 225-83 of the Commercial Code.

I prefer that these documents be sent to me:

by e-mail (default)  by regular mail

Preferred language:

French  English

Date ..... and Signature:

**NB** – If you hold registered shares, please specify whether you wish to receive all the documents and information referred to in articles R. 225-81 and R. 225-83 of the French Commercial Code for all future Stockholders' Meetings, as provided for in article R. 225-88, paragraph 3, of the Commercial Code.

**PEUGEOT S.A.**

Incorporated in France with issued capital of €234,048,798  
Governed by a Managing Board and a Supervisory Board  
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